

## **GROUP HEALTH (MAJOR MEDICAL COVERAGE) CHECKLIST**

### **(Health Benefit Plan)**

- ( ) Read cover letter to see what type of filing it is. Insurance, trust, state of origin; is group eligible? Are policy and certificate both included? Application, endorsements, riders, etc.?
- ( ) Review with General Health Policy Checklist and Administrative Regulation 806 KAR 14:007
- ( ) Review with Checklist for Internal/External Grievance and Appeals

### **Mandatory Provisions/Benefits**

The following provisions must appear. If they do not, check the statute to be sure it applies to the type of policy being reviewed.

- ( ) KRS 304.18-030(1)                      Representations - not warranties
- ( ) KRS 304.18-030(2)                      Summary of benefits provided
- ( ) KRS 304.18-030(3)                      Additional new enrollees allowed
- ( ) KRS 304.17A-139(1)                      Newborn children covered from moment of birth.
- ( ) KRS 304.17A-139(2)                      Requires automatic newborn coverage for necessary care and treatment of medically diagnosed congenital defects and birth abnormalities.
- ( ) KRS 304.17A-139(3)                      Notice of birth and premium payment may be required within 31 days of birth in order to continue coverage, if payment of specific premium or fee is required to add a child.
- ( ) KRS 304.17A-258                      Coverage must be provided for therapeutic food, formulas, supplements, and low-protein modified food products for treatment of **inborn errors of metabolism or genetic disorders** if prescription drugs are covered. Benefits will have a cap of \$25,000 per year for therapeutic food, formulas, and supplements. Low-protein modified foods will have a separate cap of \$4,000 per year. **Each cap shall be subject to annual inflation adjustments based on the Consumer Price Index (CPI).**
- ( ) KRS 304.17A-140                      Legally adopted children or guardian
- ( ) KRS 304.17A-702                      Clean claims reimbursed, denied or contested within 30 calendar days
- ( ) KRS 304.17A-138                      Required coverage for telehealth services
- ( ) KRS 304.17-316
- ( ) KRS 304.18-098                      Mandated mammography screening

- ( ) KRS 304.17-316(2)(b) Expanded mammogram coverage for people at any age if that person has been diagnosed with breast cancer.
  
- ( ) KRS 304.18-110 Continuation
- ( ) KRS 304.18-114 Conversion; terms of conversion, notice
- ( ) KRS 304.18-120 Minimum requirements \$500,000 lifetime maximum
- ( ) 806 KAR 17:260
  
- ( ) Bulletin 86-8 "COBRA" continuation to be addressed when applicable
  
- ( ) KRS 304.18-126 Policies to provide reasonable extension of benefits
  
- ( ) KRS 304.18-127 Liability of succeeding insurers
  
- ( ) KRS 304.17A-131 Cochlear implants coverage
  
- ( ) KRS 304.17A-143 Autism coverage
  
- ( ) KRS 304.17A-148 Diabetes coverage
  
- ( ) KRS 304.17A-257 Mandated coverage for colorectal cancer detection
  
- ( ) KRS 304.17A-220 If pre-existing condition clause is used the following cannot be considered as a pre-existing condition:
- ( ) KRS 304.17A-220(8)(d) (a) genetic testing information
- ( ) KRS 304.17A-155 (b) domestic violence
- ( ) KRS 304.17A-220(8)(c) (c) pregnancy
- ( ) KRS 304.17A-220(8)(a)(b) (d) newborns/adopted/guardianship children, if coverage is applied for within 30 days
- ( ) KRS 304.17A-220(2)(a) (e) Pre-existing condition definition with 6-month lookback provision
- ( ) KRS 304.17A-220(2)(b) (f) Pre-existing condition no longer than 12 months
- ( ) KRS 304.17A-220(2)(b) (g) Pre-existing condition no longer than 18 months for late enrollee
  
- ( ) KRS 304.17A-200 Guarantee issue for small group (large group, small group or association group cannot use the criteria in subsection (1)(a) through (1)(h) as a basis for eligibility for individuals in the group)
  
- ( ) KRS 304.17A-220(9) Certification of prior notice
- ( ) 806 KAR 17:160
  
- ( ) KRS 304.17A-220(6)(f) Credit for prior coverage provided there is no more than a 63-day break in coverage
  
- ( ) KRS 304.17A-220(10)(c) Special enrollment period defined
- ( ) KRS 304.17A-220(6)(d,e) Late enrollee provision

- ( ) KRS 304.17A-220(6)(b) Enrollment date definition (First day of coverage or if there is a waiting period, the first day of the waiting period)
- ( ) KRS 304.17A-240(2) Guarantee renewal of health benefit plans except for:  
 (a) Failure to pay premiums or contribution;  
 (b) Fraud or intentional misrepresentation of material fact;  
 (c) Intentional and abusive noncompliance with material provisions of plan;  
 (d) Insurer ceasing to offer coverage in the individual or group market;  
 (e) For individual network plans, individual no longer resides, lives, or works in service area, for group network plans there is no longer any employee who resides, lives or works in the service area;  
 (f) Membership of individual or employer in a bona fide association ceases;  
 (g) Group no longer meets participation requirements or contribution requirements established by insurer.
- ( ) KRS 304.17A-240(3) Notice of Discontinuation:  
 (a) 90-day prior notice and offer of other coverage when a type of plan is discontinued  
 (b) 180 days' notice and 5-year ban from new sales when all plans are discontinued and not renewed
- ( ) KRS 304.17A-250(7)  
 ( ) 806 KAR 18:030 Health benefit plans must coordinate benefits –  
**Must use benefit reserve**
- ( ) KRS 304.17A-250(6) Hospice coverage at least equal to Medicare benefits (exempt for HSAs)
- ( ) KRS 304.17A-540 (1) Limits and treatments, procedures, drugs or devices to be defined and disclosed in the policy or certificate  
 (2) Standards for denial letters
- ( ) KRS 304.17A-505 Disclosure of covered services, restrictions or limitations, financial responsibility of covered person, prior authorization requirements or any review requirements with respect to covered services, where and how services may be obtained, changes in covered services, covered persons right to appeal and procedures for appeal and measures to ensure confidentiality of the relationship between an enrollee and a health care provider.
- ( ) KRS 304.17A-535(4) Insurers must have an exception policy for plans that restrict pharmacy benefits to a drug formulary (Applicable to closed formulary).
- ( ) KRS 304.17A-505(j) Must make available upon request a complete formulary

( ) KRS 304.17A-165	Override provision for refill of drug prior to expiration of supply
( ) KRS 304.17A-245	<u>Cancellation Requirements:</u> (1) Requires 30 days' advance written notice of cancellation; (2) Cancellation for non payment of premium effective to last day through which premium was paid; (3) Provide notice of right to conversion within 15 days following end of grace period for each group member; (4) Automatic termination provision for non payment of premium; (5) Return of unearned portion of premium paid; (6) The coverage continues if 30 days' notice is not provided; (7) Must include reinstatement policy in event of cancellation due to non payment of premium. Reinstatement may not be denied on any health-related factor listed in KRS 304.17A-200 or on consideration of medical loss ratio.
( ) KRS 304.17A-275	Coverage required for osteopaths. Look for definition.
( ) KRS 304.17A-175	Co-payment/co-insurance for optometrist or chiropractor same as physician or osteopath
( ) KRS 304.18-035	Coverage at ambulatory surgical centers
( ) HIPAA	Mental health parity (cannot put maximum limits on mental health coverage in large groups), mental health offering if elected is more comprehensive than HIPAA
( ) KRS 304.17A-660	Mental health condition is any condition that involves mental illness or alcohol and other drug abuse. (Large Group)
( ) KRS 304.17A-661(1)	Mental health coverage must be covered the same as physical health if mental health is covered. (Large Group)
( ) KRS 304.17A-171	Chiropractic benefits
( ) KRS 304.17A-135	Breast cancer coverage (ABMT)
( ) KRS 301.18-0985	
( ) KRS 304.18-0363	Coverage for services of licensed psychologist or licensed clinical social worker within the policy limits
( ) KRS 304.18-0365	Coverage for TMJ
( ) KRS 304.17A-145	Maternity hospital stay requirements
( ) KRS 304.18-095	Reimbursement for services by optometrists, osteopaths, physicians, chiropractors, dentists, podiatrists
( ) KRS 304.18-097	

- ( ) KRS 304.17A-500(4) Definition of emergency medical condition cannot conflict with or be more restrictive than the statute allows.
- ( ) KRS 304.17A-643(2) Special circumstances when the insured can have continued care with a same provider even though the provider is no longer participating. Treating provider must make the request with concurrence with the covered person. (Must inform insureds of when they can have continuity of care.)
- ( ) KRS 304.17A-647(2) A female may be covered by an obstetrician or gynecologist for an annual Pap smear performed by an obstetrician or gynecologist without a referral from a PCP.
- ( ) KRS 304.17A-200(3)(a) Guarantee issue requirements for small group.
- ( ) KRS 304.17A-005(19) Add to provider definition (pharmacist, podiatrists, physicians assistant as defined in KRS 311, nurse practitioner as defined in KRS 314, or any other health care practitioner as determined by the Cabinet for Health and Family Services).
- ( ) KRS 304.17A-146 Insurers covering first assistance benefits must provide coverage for a registered nurse first assistant (provided they are acting in the scope of their license).
- ( ) KRS 304.17A-505 Disclosure for small group
- ( ) KRS 304.17A-1473 Coverage must be provided for service of a physician assistant if coverage is provided for surgical first assisting or intraoperative surgical care benefits or services.
- ( ) KRS 304.17A-580(2) Emergency medical condition: Prudent person rule and it must be based on presenting symptoms. Look for definition.
- ( ) KRS 304.17A-510(1)(d) A statement regarding the effect on the enrollee of any hold harmless agreement must be included in the policy.  
Description of and limitation to enrollee liability.
- ( ) KRS 304.17A-149 Requires coverage for payment of anesthesia and hospital or facility charges in connection with dental procedures for children below the age of nine, persons with serious mental or physical conditions, and persons with significant behavioral problems, in all health benefit plans that provide coverage for general anesthesia and hospitalization services.
- ( ) KRS 304.17A-132 Section 1(2) requires coverage for hearing aids and related services for persons under 18 years of age for the full cost of one hearing aid per impaired ear up to \$1,400 every thirty-six (36) months.

( ) KRS 304.17A-243 Must include a grace period provision

### **Required Offerings**

( ) KRS 304.18-033 Well newborn nursery care (5 days or length of mother's stay)  
N/A if routine nursery care is already provided in the contract

( ) KRS 304.17A-256 Dependent Coverage, KY\*  
(1) coverage until age 19 and coverage from 19 to 25 for a full-time student; or  
(2) coverage until age 25 for unmarried dependents  
**\*\* There must be a disclaimer as to tax implications**

( ) KRS 304.18-036 Mental illness, KY \* (same as physical)

( ) KRS 304.18-037 Home health care, KY\* (60 visits) N/A if coverage of at least 60 visits is already in the contract

( ) KRS 304.18-130 through 18-180 Alcoholism, KY\* -N/A if coverage meets or exceeds contract requirement

( ) KRS 304.17A-134 Breast reconstruction, treatment of endometriosis and  
( ) KRS 304.18-0983 endometritis and bone density testing. Mastectomy coverage cannot be required on an outpatient basis.

( ) Labor Law Maternity coverage for employer groups with 8 or more employees

\* Applicable only to contracts issued and delivered in KY

### **Optional Provisions**

( ) KRS 441.052 Coverage for incarcerated persons

( ) KRS 304.14-370 &  
( ) KRS 304.14-380 Binding arbitration cannot be required. However, arbitration can be an option for the insured.

( ) KRS 304.18-050 Contract may provide for the adjustment of the premium rate based on anniversary

( ) KRS 304.18-040 Payments may be made directly to the service provider;  
( ) KRS 304.18-090 however, it may NOT require services be rendered by a particular provider (806 KAR18:020)

( ) KRS 304.17A-607 Time frames for UR decisions.  
Section (h) & (i)

( ) KRS 304.14-230(1) The policy may be delivered by electronic transfer, by agreement between the insurer and the insured or the person entitled to receive the policy.

### **Prohibited Provisions**

- ( ) KRS 304.17A-245(5) Insurers must return unearned premium. Insurers cannot state otherwise.
- ( ) KRS 304.17A-641(1) For an insurer that requires prior authorization for post-stabilization treatment in an emergency care situation at a non-participating hospital, approval or denial shall be provided in a timely manner, but in no case to exceed two hours from the time request has been made and all relevant information provided. Failure to provide a decision shall constitute approval.
- ( ) KRS 304.17A-645 A PCP treating a person with a chronic, disabling, congenital or life threatening condition may authorize a referral to a participating non PCP specialist, up to 12 months or for the contract period, whichever is shorter.
- ( ) KRS 304.5-160 Health insurance contracts cannot cover abortion except by rider
- ( ) KRS 304.17A-647 Insurers cannot prohibit a PCP from referring a covered person who is pregnant or has a chronic gynecological condition to a participating obstetrician or gynecologist for up to 12 months or for the contract period, whichever is shorter.
- ( ) KRS 304.12-013 May not limit, reduce or exclude AIDS related benefits
- ( ) KRS 304.12-250 May not exclude work-related conditions unless the claimant is eligible for benefits under any workers compensation.
- ( ) KRS 304.17A-150
  - (1) Anyone marketing insurance cannot encourage any consumer not to file an application for health insurance based on health condition.
  - (2) Insurers cannot encourage any consumer to apply for insurance with another carrier because of health status.
  - (3) Insurers cannot encourage an employer to exclude an employee from coverage.
  - (4) Insurers are prohibited from compensating any person marketing insurance on the basis of health status.
  - (5) Insurers must compute the insured's coinsurance or cost sharing amount on the basis of actual amount received by a health care provider from the insurer.

**Checklist for PPO plans** with insurers also must add information listed below in addition to the information provided on the group health (major medical) checklist above.

- ( ) KRS 304.17A-540 Coverage limits for treatments, procedures, drugs or devices to be defined and disclosed in the policy or certificate claim denial letter requirements.

- ( ) 806 KAR 18:020 Health insurers cannot offer contracts containing preferred provider arrangements where the difference between amounts payable for preferred provider and a non-preferred provider exceed 25 percent.

**Other requirements for PPO plans:**

- ( ) KRS 304.17A-510 Provider directories and plan information must be provided upon request.
- ( ) KRS 304.17A-515 Managed care plan must have a sufficient number of providers including primary and specialist physicians. These plans must also provide adequate information regarding access to emergency and urgent care services. Must have reasonable waiting times and telephone access to providers.
- ( ) KRS 304.17A-520 Managed care plan shall provide access to a consultation with a participating provider for a second opinion.
- ( ) KRS 304.17A-525 Managed care plans must establish standards for initial consideration of providers in addition to standards for providers to remain participating providers. Must also establish mechanisms for soliciting and acting upon provider applications. When a primary care physician is terminated, the plan must provide notice to the enrollee and arrange for continuity of care with an approved primary care provider.
- ( ) KRS 304.17A-530 Managed care plans cannot limit, penalize or terminate providers because they discuss medically necessary care with an enrollee or discuss financial incentives or financial arrangements between the plan and the providers.
- ( ) KRS 304.17A-545 A managed care plan must appoint a medical director who is a licensed physician. The director is responsible for treatment policies, protocols, quality assurance activities, and utilization management decisions.